



May 2019

KENTUCKY

LABOR FORCE UPDATE

The Nonprofit Sector in Kentucky: Exploring the Newest Research Data

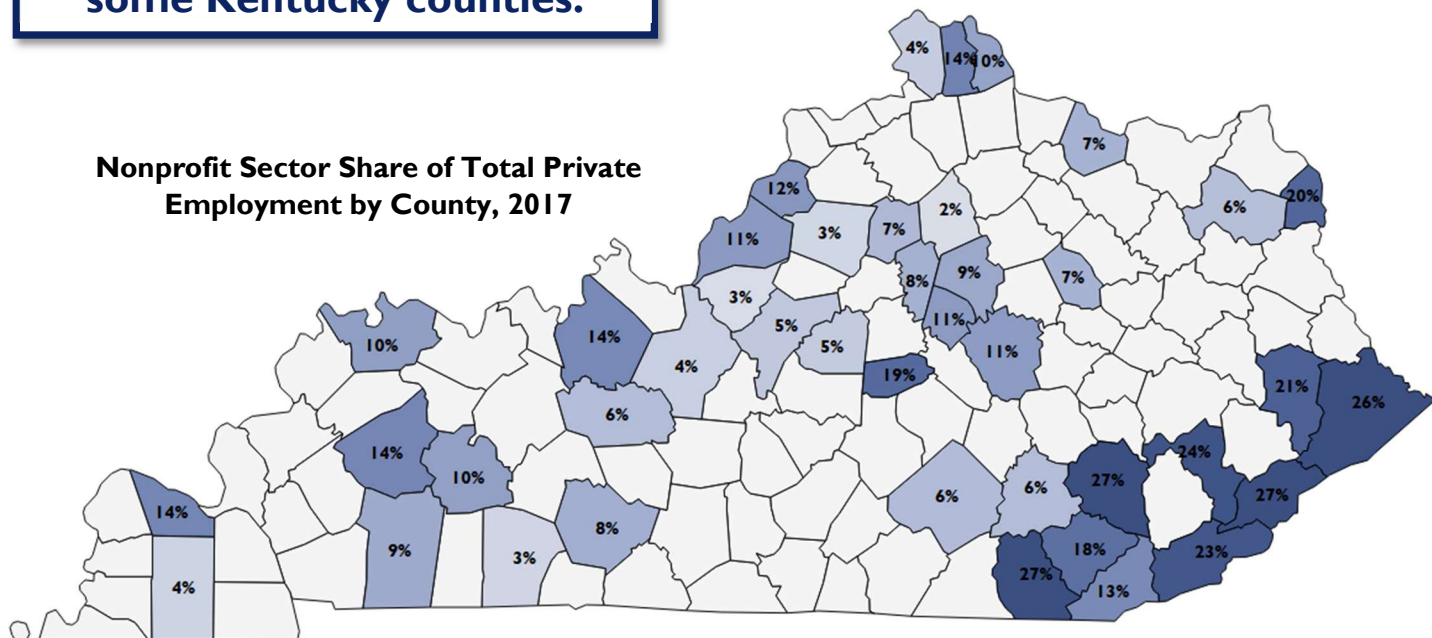
In partnership with Johns Hopkins University's Center for Civil Society Studies (CCSS), the U.S. Bureau of Labor Statistics (BLS) has recently released updated research data on employment within the nonprofit sector.¹ By matching records from the BLS' Quarterly Census of Employment and Wages (QCEW) and the Internal Revenue Service Exempt Organization Business Master File (EOBMF), the CCSS has created a rich body of data with which users can explore the role of nonprofits in the labor market. The CCSS itself reports², among other findings, that typically, "Nonprofit employment is much larger than expected" and that "Nonprofit employment is dynamic, growing more rapidly than overall employment." The following analysis explores these findings in the context of Kentucky's labor market.

Collectively, nonprofit organizations (i.e. 501(c)(3) organizations) accounted for 154,213 total jobs (9.8% of the state's total private employment) at 3,700 business establishments in Kentucky in 2017. This is a smaller share than what nonprofits accounted for nationally (10.2%). In this same time period, there were active nonprofit establishments in 42

In 2017, the nonprofit sector accounted for up to 27% of total private employment in some Kentucky counties.

Kentucky counties, and employment at these establishments comprised more than a quarter of all private employment in Clay, Letcher, Pike, and Whitley counties. Among all counties, Jefferson and Fayette Counties individually accounted for the most nonprofit employment (45,806 jobs and 14,060 jobs, respectively).

Nonprofit Sector Share of Total Private Employment by County, 2017



ALSO IN THIS ISSUE:

- ♦ Labor Force Estimates (LAUS) March 2019
- ♦ Labor Force Estimates (CES) March 2019

- ♦ Unemployment Ins. Claims March 2019
- ♦ KYSTATS in the News



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Kentucky Labor Force Update

A monthly publication of the
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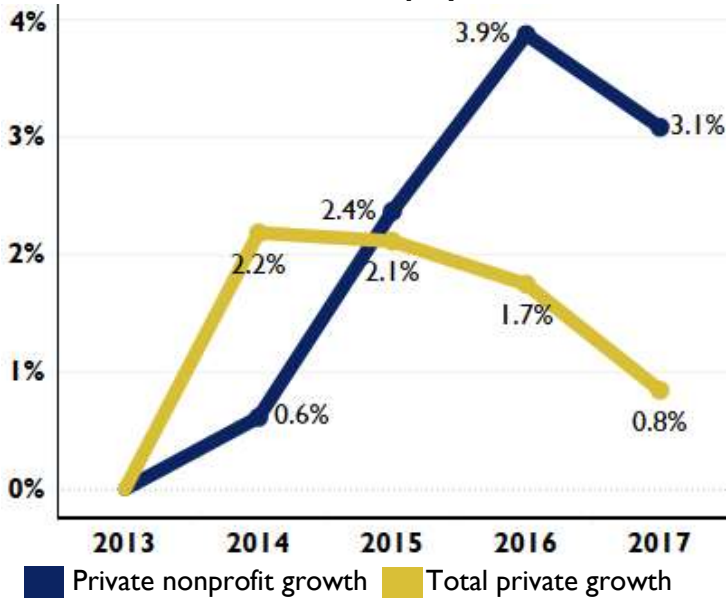
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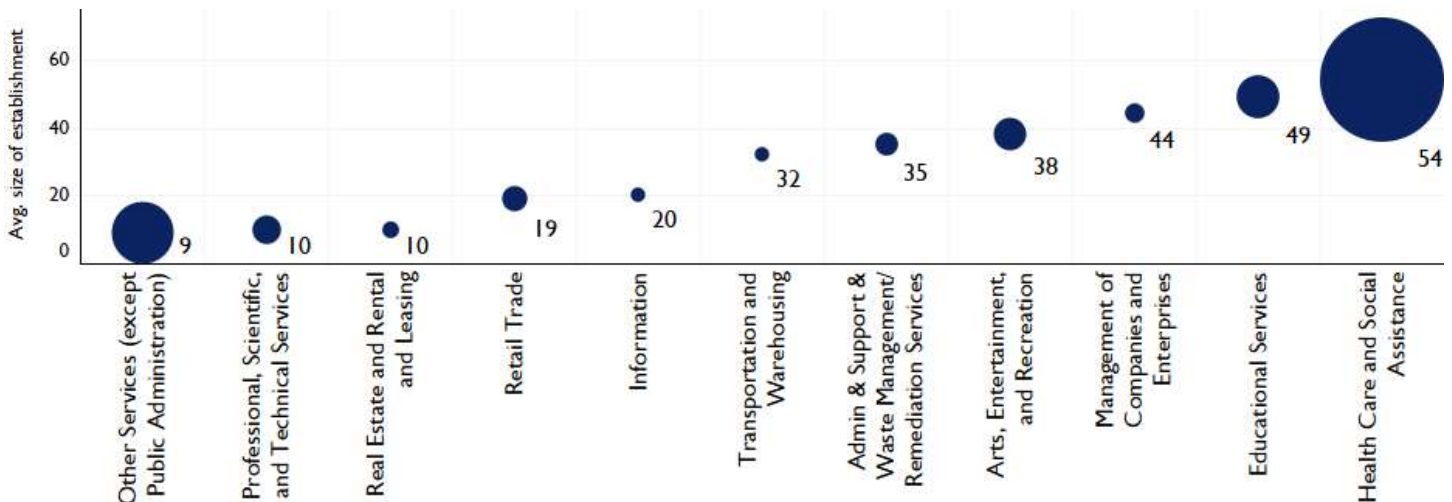
Percent Over-the-Year Growth, Nonprofit Sector vs. Total Private Employment, 2013-2017



In 2015, the rate of annual employment growth in the nonprofit sector (2.4%) began to exceed that of the overall private sector (2.1%), and that trend continued through 2017 (the most current year for which BLS provides nonprofit data). This coincides with a similar pattern nationally, wherein total U.S. nonprofit employment grew 0.6% and 0.4% faster than total private employment in 2016 and 2017, respectively. From 2013 to 2017, the nonprofit sector in Kentucky added 14,388 jobs, accounting for 13.8% of new private job growth during that time.

Beginning in 2015, the nonprofit sector began growing faster than total private employment.

Average Nonprofit Establishment Size by Industry, 2017 (Sized by Number of Establishments)



Individual nonprofit establishments vary in average size depending on the primary business activity of the establishment. Nonprofits in the Health Care and Social Assistance industry are typically the largest (averaging 54 employees per establishment), and are also the most common, with 2,216 total establishments in the state during 2017. The 555 nonprofit establishments in Other Services- which includes religious organizations, civic and social organizations, etc.- were the next most common, but are also typically the smallest (averaging 9 employees per establishment in 2017).



The Nonprofit Sector in Kentucky: Exploring the Newest Research Data

Industry/Nonprofit Sector Size by
Average 2017 Private Employment

Categorized as its own industry, the nonprofit sector would be Kentucky's fourth largest.

The North American Industry Classification System (NAICS), utilized by the QCEW, only takes into account the primary business activity of employing establishments, rather than tax classification, etc. However, using the nonprofit employment totals provided in the research data in conjunction with private industry totals from the QCEW³, it is possible to compare nonprofit sector employment to whole industries.

If nonprofit sector jobs were removed from private industry totals and considered as an independent industry using 2017 data, it would be Kentucky's fourth largest, accounting for 154,213 jobs, behind only Manufacturing, Retail Trade, and Accommodation and Food Services. The next largest industry, Health Care and Social Assistance, would account for 30,116 fewer jobs than the nonprofit sector as a whole.

250,180 Manufacturing	213,612 Retail Trade	174,069 Accommodation and Food Services
154,213 Nonprofit Sector	117,496 Administrative & Support & Waste Management / Remediation Services	98,831 Transportation and Warehousing
147,906 All Other Industries	77,332 Construction	73,603 Finance and Insurance
124,097 Health Care and Social Assistance	76,275 Wholesale trade	72,656 Professional, Scientific, and Technical Services

Summary

The nonprofit sector is responsible for a substantial number of jobs in Kentucky, comprising nearly a quarter of all private employment in some southeastern counties, and independently accounting for more jobs than many of Kentucky's largest industries. As a whole, the sector has grown faster than overall private employment in recent years. Nonprofits are most commonly working in Health Care and Social Assistance, which is also the industry in which nonprofits are typically the largest.

¹ <https://www.bls.gov/bdm/nonprofits/nonprofits.htm>

² <http://ccss.jhu.edu/research-projects/nonprofit-economic-data/>

³ Private employment totals for industries without nonprofit employment were queried from <https://www.bls.gov/data/> on 5/7/19.



Third Quarter 2018 Business Employment Dynamics (BED)

Source: U.S. Bureau of Labor Statistics

Industry	Employment Gains			Employment Losses		
	From Expansions	From Openings	Total	From Contractions	From Closings	Total
Total Private	75,035	15,235	90,270	79,283	15,153	94,436
Construction	6,464	1,609	8,073	6,339	1,902	8,241
Education and Health Services	9,734	1,747	11,481	8,973	1,951	10,924
Financial Activities	3,385	833	4,218	3,086	871	3,957
Information	1,120	256	1,376	1,100	157	1,257
Leisure and Hospitality	13,061	3,454	16,515	13,640	2,466	16,106
Manufacturing	5,917	702	6,619	6,841	507	7,348
Professional and Business Services	13,860	2,827	16,687	14,302	2,760	17,062
Retail Trade	10,824	1,455	12,279	11,486	2,230	13,716
Transportation and Warehousing	3,942	518	4,460	7,118	521	7,639
Wholesale Trade	2,751	834	3,585	2,960	722	3,682
Other Services (except Public Administration)	2,439	755	3,194	2,428	820	3,248

Data are seasonally adjusted. Data queried from <https://www.bls.gov/bdm/> on 5/1/19.



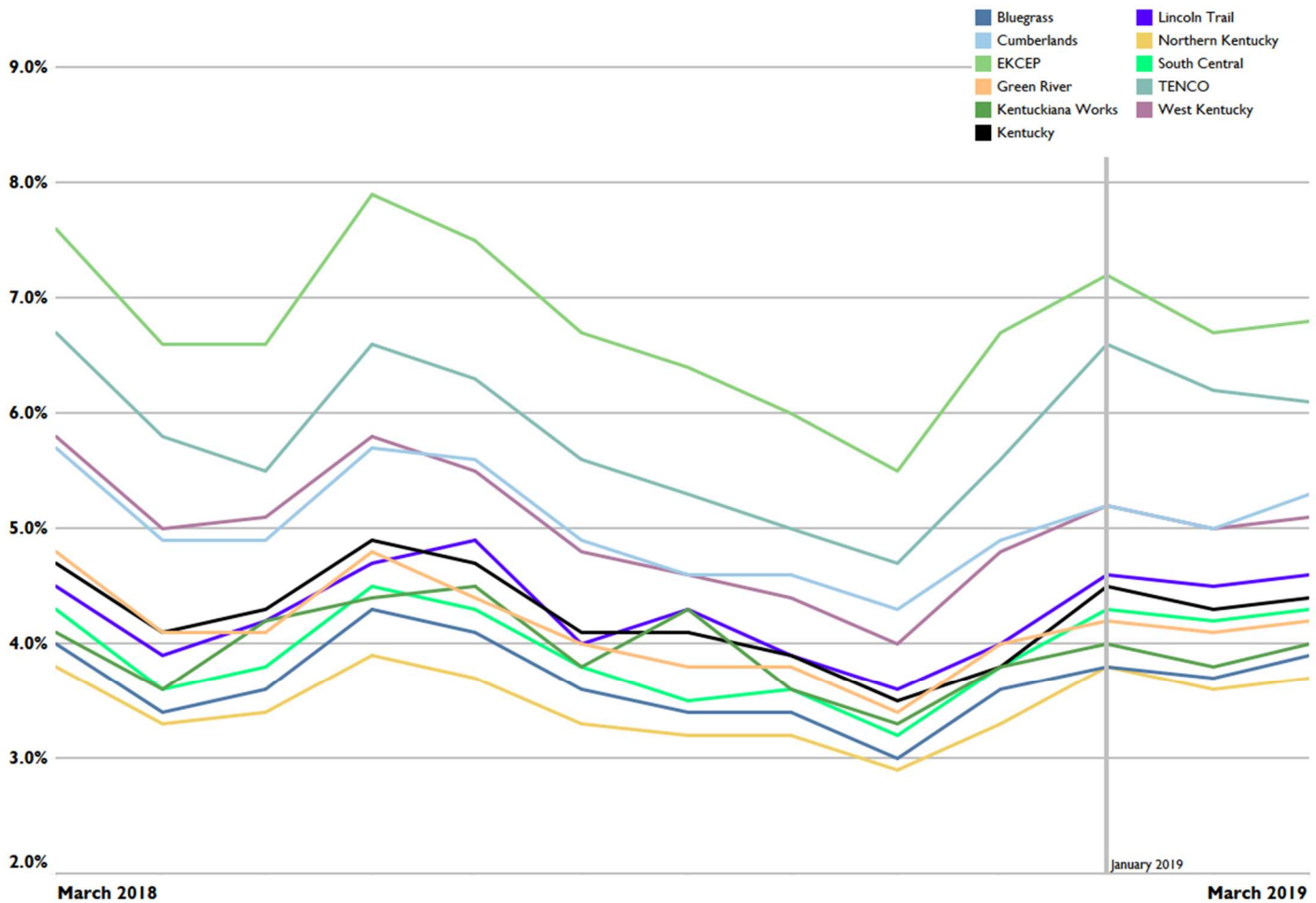
March 2019 Labor Force Estimates (LAUS)

Source: KYSTATS, Local Area Unemployment Statistics (LAUS)

	Mar 2019	Feb 2019	Mar 2018	OVER-the-MONTH		OVER-the-YEAR	
				Change	Rate	Change	Rate
Civilian Labor Force	2,064,737	2,063,277	2,059,442	1,460	0.1%	5,295	0.3%
Employment	1,981,955	1,979,574	1,970,425	2,381	0.1%	11,530	0.6%
Unemployment	82,782	83,703	89,017	-921	-1.1%	-6,235	-7.0%
Unemployment Rate	4.0%	4.1%	4.3%	-0.1%	-	-0.3%	-
U.S. Unemployment Rate	3.8%	3.8%	4.0%	0.0%	-	-0.2%	-

Estimates shown above are seasonally adjusted. March 2019 estimates are subject to revision.

Unemployment Rate by Local Workforce Area (LWA) and State



Estimates shown in the graph are not seasonally adjusted. March 2019 estimates are subject to revision.



March 2019 Labor Force Estimates (CES)

Source: KYSTATS, Current Employment Statistics (CES)

	Mar 2019	Feb 2019	Mar 2018	OVER-the-MONTH		OVER-the-YEAR	
				Change	Rate	Change	Rate
Total Nonfarm Employment	1,948,200	1,949,500	1,930,800	-1,300	-0.1%	17,400	0.9%
Private Sector Employment	1,635,000	1,636,400	1,616,000	-1,400	-0.1%	19,000	1.2%
Goods Producing Industries	344,500	345,300	339,300	-800	-0.2%	5,200	1.5%
Mining and Logging	10,300	10,100	9,600	200	2.0%	700	7.3%
Construction	79,800	81,000	77,900	-1,200	-1.5%	1,900	2.4%
Manufacturing	254,400	254,200	251,800	200	0.1%	2,600	1.0%
Durable Goods	165,400	164,800	163,700	600	0.4%	1,700	1.0%
Non-durable Goods	89,000	89,400	88,100	-400	-0.4%	900	1.0%
Private Service Providing Industries	1,290,500	1,291,100	1,276,700	-600	0.0%	13,800	1.1%
Trade, Transportation, & Utilities	405,400	407,700	403,700	-2,300	-0.6%	1,700	0.4%
Wholesale Trade	75,600	75,800	74,800	-200	-0.3%	800	1.1%
Retail Trade	212,300	212,800	215,500	-500	-0.2%	-3,200	-1.5%
Transp, Warehousing, & Util.	117,500	119,100	113,400	-1,600	-1.3%	4,100	3.6%
Information	22,200	22,200	22,100	0	0.0%	100	0.5%
Financial Activities	94,500	94,000	92,800	500	0.5%	1,700	1.8%
Finance and Insurance	73,600	73,500	73,400	100	0.1%	200	0.3%
Real Estate, Rental & Leasing	20,900	20,500	19,400	400	2.0%	1,500	7.7%
Professional and Business Services	216,900	217,400	218,500	-500	-0.2%	-1,600	-0.7%
Prof, Scientific, & Tech Services	77,400	77,600	76,100	-200	-0.3%	1,300	1.7%
Management of Companies	20,600	20,500	20,500	100	0.5%	100	0.5%
Admin & Support & Waste Mgmt	118,900	119,300	121,900	-400	-0.3%	-3,000	-2.5%
Educational & Health Services	286,100	284,500	276,500	1,600	0.6%	9,600	3.5%
Educational Services	30,000	30,100	29,300	-100	-0.3%	700	2.4%
Health Care & Social Assistance	256,100	254,400	247,200	1,700	0.7%	8,900	3.6%
Leisure and Hospitality	199,100	199,600	197,700	-500	-0.3%	1,400	0.7%
Arts, Entertainment & Recreation	22,900	24,100	23,000	-1,200	-5.0%	-100	-0.4%
Accommodation & Food Services	176,200	175,500	174,700	700	0.4%	1,500	0.9%
Other Services	66,300	65,700	65,400	600	0.9%	900	1.4%
Government	313,200	313,100	314,800	100	0.0%	-1,600	-0.5%
Federal	36,200	36,200	36,100	0	0.0%	100	0.3%
State	93,800	93,700	95,300	100	0.1%	-1,500	-1.6%
Local	183,200	183,200	183,400	0	0.0%	-200	-0.1%

Estimates are seasonally adjusted. March 2019 estimates are preliminary and subject to revision.



Unemployment Insurance Claims

March 2019 (Kentucky, Statewide)

Source: U.S. Dept. of Labor, Employment and Training Administration

Month	Initial Claims	First Payments	Weeks Claimed	Weeks Compensated	Average Weekly Benefit	Benefits Paid	Final Payments
3/31/2018	8,670	3,448	88,059	78,794	\$334.01	\$26,414,438	1,013
4/30/2018	9,593	2,786	75,397	73,360	\$338.85	\$24,936,012	1,188
5/31/2018	17,484	3,302	74,279	66,733	\$340.04	\$22,776,755	1,119
6/30/2018	15,974	3,549	73,020	63,967	\$332.05	\$21,316,145	1,065
7/31/2018	23,169	5,097	105,655	92,626	\$343.98	\$31,915,100	1,565
8/31/2018	8,393	3,316	72,220	67,823	\$336.07	\$22,891,972	1,381
9/30/2018	17,977	2,997	64,427	72,171	\$340.67	\$24,679,872	1,312
10/31/2018	8,340	2,817	70,942	62,601	\$346.01	\$21,718,218	1,308
11/30/2018	11,629	2,553	60,459	53,298	\$347.80	\$18,585,342	982
12/31/2018	16,320	3,393	66,452	57,885	\$343.45	\$19,967,923	1,061
1/31/2019	17,896	6,795	93,400	78,628	\$345.70	\$27,310,045	1,257
2/28/2019	13,347	4,466	87,716	76,053	\$350.53	\$26,770,130	1,103
3/31/2019	8,327	2,919	79,384	71,924	\$345.00	24,914,450	1,100

Data queried from <https://oui.doleta.gov/> on 5/11/2019.

KYSTATS News

The Kentucky Center for Statistics is excited to announce that our biennial data use conference will take place at the Brown Hotel in Louisville this year on September 4th and 5th.

The conference gives partners and data users an opportunity to learn more about KYSTATS' latest products, interact with our staff and other attendees, and explore new opportunities for collaboration. Mark your calendars and stay tuned for registration information and further details!



We're pleased to announce that the [KYSTATS website](#) now has a new layout. Visit today- Labor Market Information products and our flagship reports have never been easier to access and explore!



KYSTATS recently released the first installment of a series of videos about who we are and the work that we do. [Click here](#) to learn about the Kentucky Longitudinal Data System.



Follow us on Twitter **@KYSTATS** for registration opportunities and event announcements

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Published 5/20/2019